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March 7, 2003

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VIA FEDERAL EXPRESS

George Pavlou, Director

Environmental Protection Agency

U.S. Emergency Response & Remediation -1866 Hollander Division.

290 Broadway

New York, New York 10007-1866

Re: Agreements Reached with PRP Group Regarding Duane Marine Site at our March 3, 2003 Meeting

Dear Sirs:

I greatly appreciate both of you taking the time to personally attend our March 3 meeting in Edison on the Duane Marine site. This letter will confirm the agreements reached at that meeting.

The PRP Group (the Duane Marine Steering Committee), through its chair, Norman Bernstein, was given a 60-day period, until May 2, 2003 to review data and documents and commit in writing to perform a Remedial Investigation/Feasibility Study ("RI/FS") pursuant to the New Jersey Technical Regulations for Site Remediation, N.J.A.C. Title 7, Chapter 26E, covering the soil and groundwater at the uplands at the former Duane Marine site and the sediments of Arthur Kill that are adjacent to the Duane Marine site. If the PRP Group commits to perform the RI/FS, it will have an additional 60 days, until July 1, 2003, to enter into an appropriate administrative consent order with the DEP to perform that RI/FS in an expeditious manner.

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Evan Van Hook George Palvou March 7, 2003 Page 2

It is my hope that our meeting was the start of a major thrust to move the remediation of the Duane Marine site forward. It is the intent of our client, Landings at Harborside, to remain in contact with the PRP Group, in order to facilitate this process.

I ask that if either of you or any of your staff in any way disagrees with the milestones which I have summarized above, please have the appropriate person contact me as soon as possible.

Yours truly,

WILLIAM J. FRIEDMAN

WJF/rla

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cc: Frank Faranca, DEP
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